

Centre for Immigration
Policy Reform



Centre pour une Réforme des
Politiques d'Immigration

**Immigration Is Too High and Not Based on Canada's Economic
Interests:**

A Submission to the

Stakeholder and Public Consultations on Immigration Levels and Mix

September 19, 2011

www.immigrationreform.ca

Introduction

In response to Citizenship, Immigration and Multiculturalism Minister Jason Kenney's call for input from stakeholders and the public on immigration issues, the Centre for Immigration Policy Reform/Centre pour une Réforme des Politiques d'Immigration (CIPR/CRPI) presents the view that the level of immigration is far too high to serve Canada's economic and social interest, and that the mix between the three immigrant classes puts too much emphasis on family and protected persons at the expense of the economic class.

The CIPR is a not-for-profit national organization of citizens who believe that major changes must be made to our immigration policies if they are to serve the best interests of Canadians. Immigration has played a major role in Canada's development and can continue to make a positive contribution in the future. At one time considered the best in the world, Canada's policies ensured successful settlement of immigrants within a few years. But in recent decades, and with the highest per capita intake of immigrants in the world, these policies have become increasingly divorced from the economic needs and benefits of Canadians. Today, negative social, economic and environmental impacts for newcomers and resident Canadians alike are becoming increasingly evident. Worse, Canada's national security needs are being compromised by inadequate immigration and refugee screening, while the immigration platforms of political parties, too frequently based on myths and out-of-date orthodoxies, seek short-term political gain rather than what is best for the country.

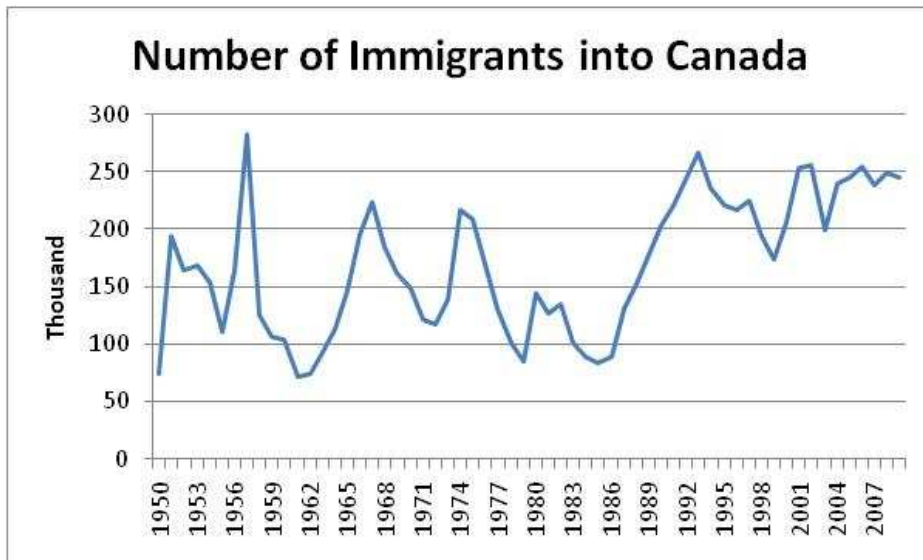
The specific questions that the Government is asking in its background document and questionnaire are: "a) the right level of immigration to Canada (how many?); and b) the right mix between the three immigrant classes to Canada (economic, family and protected persons)." Yet, having asked these questions, the Government starts off with the questions: "should immigration levels be higher? Which of these areas should be a priority? If we raise levels in one of these areas, where should we take less?" Similarly, the on-line questionnaire is structured in such a way as to encourage participants to provide responses that are supportive of higher levels of immigration of the various classes. Indeed, in many instances, it is impossible to move on to the next page of questions until a response is provided that fits in the Government's Procrustean framework. Consequently, CIPR/CRPI has prepared this submission, which gives us more freedom and provides us with a better vehicle to make our views clearly known on the best level and mix of immigration, while at the same time still responding to the questions raised by the Government in the background paper and questionnaire.

The Right Level of Immigration

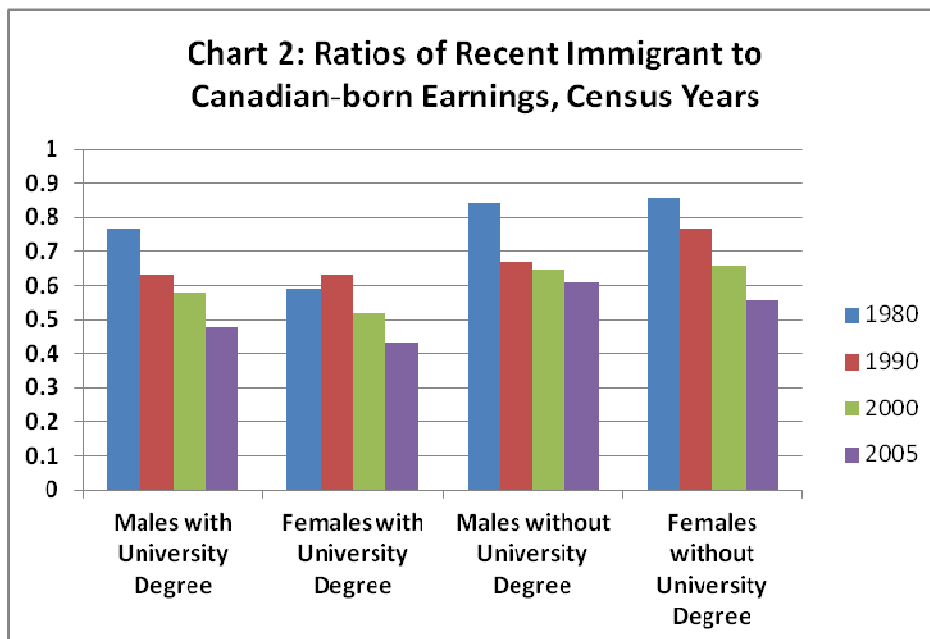
Our view is that the current level of immigration (281 thousand in 2010 and targeted at between 240 and 265 thousand in 2011) is far too high and should be reduced to around 100 thousand in the future. Since immigration levels were raised to current levels in the late 1980s (Chart 1), there has been a continued deterioration in the performance of new immigrants in the Canadian labour market, which,

given the recent recession and current sluggish state of the economy, is likely to worsen. For instance, a Statistics Canada study (2008, p.21) revealed that the earnings of recent immigrant men declined from 85 cents for each dollar received by Canadian-born men to 67 cents in 2000 and 63 cents in 2005. And this decline occurred for women as well as men and across all educational levels (Chart 2).

Chart 1



Source: Statistics Canada, Table 075-001-Historical statistics



Source: Statistics Canada (2008).

In addition, there is evidence from the labour force survey that recent immigrants have been hit much harder by the 2008-09 recession than other groups. For instance, the unemployment rate for very recent immigrants in the country less than 5 years rose to 15 per cent in 2009 from 11.9 per cent in 2007, a 3.1 percentage point increase while the unemployment rate for recent immigrants in the country for between 5 and 10 years increased to 13 per cent in 2009 from 8.2 per cent in 2007, an even larger 4.8 percentage point increase. In contrast, the unemployment rate of the Canadian born only went up to 7.8 per cent in 2009 from 5.7 per cent in 2007, a 2.1 percentage point increase (Grady, 2010).

The problem is that, in a welfare state like Canada, if immigrants don't do at least as well economically as other Canadians, they will pay less tax and receive greater government benefits. They thus become a fiscal burden and require others to pay higher taxes to pay for their benefits. The net fiscal cost for Canada was estimated to be around \$6,000 in 2005 for each immigrant entering Canada between 1987 and 2004, amounting to an annual total fiscal cost of \$16 to \$23 billion depending on the number of immigrants assumed to remain in the country (Grubel and Grady, 2011).

None of these dismal facts, which suggest that the immigration levels are too high and should be cut back, were mentioned in the background material provided with the Government's questionnaire. Instead, it is premised on the view that a high level of immigration is necessary to keep the labour force and population growing and it entirely ignores the disappointing labour market performance of immigrants and the impact of the recent recession and its aftermath on labour markets. By not providing this key information to the public, the Government is encouraging uninformed consultations, which will not produce useful answers to the questions being posed.

Moreover, the background material doesn't even acknowledge that labour force growth and population growth are not required to maintain and increase the economic prosperity of Canadians. Prosperity depends on sound economic policies that make best use of the available workforce and on the promotion of increases in productivity (which large-scale immigration tends not to do since it encourages substitution of labour for investments in productivity increases).

According to the 1991 Economic Council of Canada study, cases where immigration had been successfully used to fill gaps in the labour force were rare, although not non-existent. More recently, noted Canadian economists Alan G. Green of Queen's University and David A. Green of UBC, concluded that in all but exceptional cases such shortages can be met from within our existing labour resources if normal market forces are allowed to come into play (i.e. the shortages cause wages to increase, which results in more Canadians acquiring the training necessary to fill the jobs). As David Green pointed out at the annual Metropolis conference earlier this year, natural market responses to labour shortages, such as pay hikes, can be obstructed when immigration increases the supply of workers and thus reduces wages.

The question that the Government needs to ask, which is not posed in the background material, is: Does it really make sense to bring in so many new immigrants each year when they will only become underemployed or unemployed or take jobs needed by Canadians?

Against this backdrop, we offer our recommended immigration level for the next five years of 100 thousand. This is much lower than the recent levels of 250 thousand that have been a primary cause of the labour market problems of immigrants. Hopefully, in combination with better immigrant selection policies and shifts in the mix in favour of more economic class immigrants, it should enable future immigrants to do as well as other Canadians in the labour market, following, of course, a reasonable adjustment period. But even with this lower level of immigration, it would still be necessary to monitor their performance in the labour market to make sure that it is the appropriate level and not too low or too high. On the one hand, an indication that it is too low would be that new immigrants begin to earn a substantial premium in relation to other Canadians and labour shortages become a serious problem. On the other hand, an indication that it is too high would be that immigrants continue to underperform other Canadians in labour markets. If Canada slips into a double-dip recession as some fear, the Government may even wish to consider the more restrictive step of imposing a moratorium on new immigration.

Objectives of Immigration

In the questionnaire, the Government lists the objectives for immigration as: supporting long-term economic growth; meeting current labour market needs; encouraging immigration to all regions of the country; assisting family reunification; protecting refugees; and supporting population maintenance/growth. It then asks respondents to rank them from highest to lowest priority. Interestingly, the objectives do not include raising the after-tax real incomes and living standards of Canadians, which welfare economics tells us should be the main objective of a national government responsible for maximizing the welfare of Canadians. Obviously immigrants expect to gain or they wouldn't come. But it's not so obvious that existing Canadians always gain. They can gain if there are economies of scale from having more people and a larger economy as there were in the early years of the 20th century, but this is no longer necessary in a world of relatively free trade.

Canadians can also gain from immigration if there are entrepreneurs, innovators, scientists, or other exceptional individuals among the immigrants who bring new ideas and technologies and produce economic benefits in excess of their incomes that are passed on to other Canadians. But their presence in substantial enough numbers to matter should be reflected in higher average earnings for recent immigrants in the published statistics on income and earnings.

The consensus among Canadian economists is that there is no reason to expect a gain in per capita GDP from immigration even on theoretical grounds. Immigrants just increase the population and hence the overall level of GDP. The empirical evidence, noted above, indicates that recent immigrants actually earn less than other Canadians and thus lower per capita GDP. After taxes, the situation is even worse as they pay lower taxes and receive similar benefits.

Having noted the deficiencies in the Government's list of objectives in its background document, and if forced to choose, we would put the economic objectives at the top of the list, namely: meeting current labour market needs; supporting long-term economic growth; and supporting population maintenance/growth. But we note that, while there may be a legitimate role for immigration to play in meeting labour market needs, it is considerably less than current policies imply. These objectives would be followed by "encouraging immigration to all regions of the country" which, while suggested by the Government, is somewhat problematic as an objective. Interprovincial migration and regional policy have long been viewed as tools for evening out income disparities across the country though the economic rationale for encouraging immigrants to go to areas of the country that are losing population is not obvious. We would put "assisting family reunification" at the bottom of the list as the immigration policy already considers the nuclear family as the unit to be admitted and bringing together large extended families, regardless of the economic implications for Canada, should not be an objective of immigration policy.

Also we would not include "protecting refugees" in the list as this is not really a concern of immigration policy, but rather of refugee policy, which should be determined by our international commitments and the willingness of Canadians to help genuine refugees, who we submit are distinct from disguised economic migrants who claim to be refugees to jump the queue.

Factors Affecting Immigration Planning

Concerning the factors affecting immigration planning suggested by the Government, we would rank them:

1. Impact on host population;
2. Integration issues;
3. Sustainability of immigration;
4. Resource issues;
5. Immigrant economic issues;
6. Basic needs of immigrants.

Our first priority is "Impact on host population" since immigration has to be justified primarily on the benefits it brings to the existing population of the country— unlike refugee programs, which are essentially humanitarian in nature. "Impact on host population," in fact, includes a number of the specific points included under other headings. We consider the following to be of importance:

- On the subject of employment, as we have already pointed out, large-scale immigration has the effect of driving down wages and, thereby, discouraging Canadians from entering the workforce.
- In terms of costs to taxpayers, there is now considerable evidence that newcomers who have arrived in recent decades cost Canadian taxpayers tens of billions of dollars a year.
- While public support remains at a reasonable level for immigration in general, it tends to be weaker in areas (such as the Toronto region) that have received large numbers of immigrants

over a long period. Parts of the country that have had less experience with large-scale immigration are more likely to welcome the economic stimulus realized by providing a quick fix for labour shortages by bringing in foreign workers. But those in such areas are not aware that, over time, major problems may develop that are difficult if not impossible to reverse. While employers are happy to get a plentiful supply of relatively inexpensive and highly motivated labour, the social and economic costs of growing immigrant communities as family members arrive fall increasingly on the general population.

- Public support for resettlement of a reasonable number of genuine refugees from overseas remains strong. Canadians are, however, increasingly aware of the extent to which the refugee determination system is being abused by asylum seekers who arrive in Canada and make refugee claims. While refugee activists will vehemently oppose basic reforms to the refugee system, there is strong public backing for government attempts to make it more equitable and cost-effective through greater concentration on selection of refugees from overseas rather than allowing large numbers of asylum seekers – most of whom would not be considered to be genuine refugees by other countries – to make claims in Canada.
- As immigrant communities in urban areas increase in number and in size there are concerns over the extent to which newcomers will be encouraged to integrate into mainstream Canadian society. There are also grounds for concern over the reaction of mainstream Canadians, many of whom will begin to feel that they are becoming minorities in their own country.
- Although the second generation in some immigrant communities has demonstrated impressive academic achievements, in others this is not always the case. For instance, there is evidence of serious crime issues in some as well as extremist tendencies in others. These have to be considered from the perspective of national security and the safety of Canadians.
- Shortage of resources has been a major impediment to the effective delivery of immigration programs so that few immigrants now are being seen or interviewed by Canadian visa officers. More interviews and other resources are required to ensure applicants meet our requirements and have an adequate understanding of what they can expect in Canada in terms of economic and social adjustment. More interviews and screening are also necessary in order to identify fraudulent cases and those with criminal or terrorist implications. This can only be accomplished with Canada-based officers posted abroad. Either such resources must be significantly increased in order to match the requirements for sound processing of current immigration intake or intake should be reduced to levels that can be dealt with adequately by existing resources.
- It is in the interest of both newcomers and Canadians to ensure that people who are given visas to stay here permanently have a good chance of being successful after their arrival. A significant proportion of those now being admitted, however, are neither adequately prepared nor have skill sets and credentials necessary for their success after arrival. We need a combination of better selection standards as well as requirements that put greater onus on the newcomer to be well prepared. Canadians, for example, should not have to pay millions of dollars for English and French classes for newcomers after their arrival when language skills are something they should have acquired before they were issued visas.

- While the impact on the environment may not be the first concern that comes to mind for many Canadians when they think of immigration, it is, in fact, an important issue and should not be overlooked. Since most of our newcomers come from developing countries, their ecological footprint is four times larger after settling here. They also have a significant domestic impact since the expansion of large cities such as Toronto has resulted in a major loss of prime agricultural land.

Appropriate Mix

In our view, the appropriate mix between economic immigrants, family class immigrants, and protected persons (refugees) is: 75 per cent economic; 10 per cent family class; and 15 per cent protected.

Economic Class

In keeping with our recommendation of 100 thousand annual target level for immigration over the next five years, economic class immigration should be decreased correspondingly. But as a share of the total economic class immigration should be increased at the expense of family class.

There are some important observations that need to be made in response to the question about the appropriate distribution between federal and provincial government programs to select skilled immigrants that don't fit in the nice box. Provincial Nominees Programs, which have been adopted in the English-speaking provinces following Quebec's example of exercising authority in the selection of immigrants to that province under the Canada-Quebec Accord on Immigration, have established a parallel system of immigration operated by provincial governments. The problem is that many of these governments, particularly in the West and Atlantic Provinces, have an exaggerated view of the benefits that immigration will bring to their provinces and view it as a panacea for their regional development problems. While employers may be euphoric about the inflow of relatively cheap labour that provides a quick fix to gaps in the workforce, it is likely that the provinces in question will have to deal with major problems in the future as large numbers of family members of diverse backgrounds begin to settle in these provinces. This could also be problematic for other parts of the countries if significant numbers of PNP immigrants and their families decide to leave the province that arranged their entry into Canada.

Moreover, with the exception of Quebec and to some extent Manitoba, they have limited experience in selecting immigrants or knowledge of the problems likely to be encountered. They are thus likely to repeat the same mistakes that the Federal Government has committed in the past with respect to immigration policy and to produce even worse results than the current system as they come to account for an increasingly large share of immigrants admitted. The only real solution to these emerging problems is that all immigrants be required to meet federal selection criteria but that, respecting provincial labour requirements, those immigrants who have been nominated by a province have their applications expedited. If this or other similar adjustments are not politically possible, the PNP should be subject to closer supervision,

with amendments introduced to ensure those chosen meet the minimum education, language, and skills levels necessary for successful settlement.

For constitutional and national unity reasons, this still leaves the special issue of Quebec's claim to control its own immigration. And it is a fact that Quebec has managed its programme far better than the Federal Government. Consequently, we believe that, because of Quebec's unique position as the only French-speaking jurisdiction in Canada, it should retain its own special program for selecting skilled workers. We are somewhat reassured by the ongoing public discussion of immigration in Quebec that there is a growing appreciation in Quebec that there are problems that needs to be addressed. We sincerely hope that this will lead Quebec to pursue sensible immigration policies.

However, we would like to raise some questions about Quebec's program. For instance, we should have a more precise idea of how many immigrants admitted to Quebec actually remain there since there could be costs for the rest of Canada if significant numbers are admitted under the provisions of the Canada-Quebec Accord who would not have met federal standards and who move to other parts of Canada. A review should also be made of the justifications for giving Quebec a major share of federal funding for the settlement of newcomers.

And most fundamentally, it should be obvious that it would be impossible for the Federal Government to pursue a target of 100 thousand immigrants per year if Quebec continues to 45 to 55 thousand immigrants. Reform of Canada's immigration policies is also going to require reform of Quebec's immigration policies.

Ranking of Objectives for Economic Immigration

Our ranking of the objectives for economic immigration is:

1. Skilled workers who meet specific labour market needs, including to fill specific job openings;
2. Skilled workers with more generic skills to help build Canada's long-term labour force;
3. Workers, at a range of skill levels, who meet regional/sectoral needs;
4. Candidates who have advanced post-secondary credentials (e.g., PhDs);
5. A broad range of candidates representing a wider variety of skill and education levels;
6. Candidates who will invest significant levels of capital and/or create jobs.

Note that we maintain the ranking order of 1 being most important and 6 least rather than reversing it as specified in the questionnaire, which we suspect will lead to confusion among respondents and in interpreting the response. And while we have provided rankings for the above points, we would emphasize that none are as important as finding more effective ways of meeting labour shortages from within the existing workforce in Canada.

Factors Important for Success in Canada

The factors that we regard as most important for an immigrant's success in Canada are: strong skills in one of Canada's official languages and age. They are closely followed by: a degree or diploma from a Canadian post-secondary institution; prior work experience in Canada; and a job offer in Canada before

they arrive. Of much less importance, is: a degree or diploma from a non – Canadian post-secondary institution; and prior work experience abroad, unless they come from an advanced economy like Canada's.

For example, in terms of a degree or diploma from a non-Canadian post secondary institution, it makes a good deal of difference if the degree is from well-known and highly-regarded institutions such as Oxford or Harvard universities rather than unknown institutions in developing countries. Moreover, there is only one university from the developing countries included in the world's top 100 universities as rated by the Institute of Higher Education in Shanghai. Major source countries for Canada such as Pakistan, Philippines and Iran do not even have any universities in the top 500. This is one of the underlying reasons many professionals from developing countries are unable to meet Canadian standards.

Professional employment in a leading high tech company in the United States or Europe is usually more valuable than in almost any company in a developing country.

The value of having a job offer in Canada can also vary. An offer from a relative in Canada, for example, should be scrutinized carefully.

Some Further Observations on Selection Criteria

The changes in the point system introduced in the early 1990s to stress the educational achievements of applicants rather than whether their occupations were in demand have not survived the test of time. Having been overridden by the current *ad hoc* system that involves a ministerial override and a list of preferred occupations, the system now needs to be further revised and made more discriminating. For instance, only the applicants with the highest scores should be admitted with the cut-off being determined by the numerical target for admissions.

A problem with the existing system (as it was and may still be) is that it does not distinguish adequately among different levels and qualities of education. This is confirmed by the performance of immigrants who get their education in Canada after they arrive rather than in their home countries where the quality of the education may not be up to Canadian standards. Canadian universities and colleges are able to select foreign students capable of succeeding academically. There is no reason why similar screening and rating techniques could not be utilized to assist in immigrant selection.

Another problem is that the system does not take sufficiently into account relevant work experience. It is a fact that immigrants who have Canadian work experience or experience in a similarly advanced industrial country are more likely to succeed economically than those whose only experience is in a less developed country with a different industrial structure and working environment.

The problem with education and work experience is compounded in the case of those applying to come to Canada to work in a regulated profession. The majority with such aspirations are bound to be disappointed when they come up against the provincial and territorial credentialing and licensing requirements. Yet it makes no sense to lower standards for immigrants. The best way around the problem of regulatory barriers preventing immigrants from working in their chosen professions is to

admit only those who are pre-qualified by the relevant regulatory authority. Providing expensive, possibly tax-payer funded educational upgrades is tantamount to special treatment not accorded to other Canadian residents.

More emphasis should also be put on recruiting younger immigrants. Currently, full points are given up to age 49. And the period between application and admission has grown as the backlog has swollen. It is increasingly difficult for immigrants to become established after a certain age just like it is difficult for a worker to become reemployed if they lose their job. This problem is compounded by the tendency of Canadian employers to almost completely discount foreign work experience. In addition, the younger immigrants are when they come to Canada, the greater the contribution they can make to slowing the aging of the Canadian population, a phenomenon that will place increasing pressure on our health and pension systems.

Many immigrants come to Canada with very limited skills in either or both of our official languages. As a good ability to communicate in one or the other of our official languages is an absolute essential for success in the labour market, language ability should be emphasized much more in selecting immigrants. Hence, language testing should be made more rigorous. In addition, extra points should not be granted for some, but very limited, knowledge of the applicant's second official language. This just weakens the ability of language points to identify true language skills in one or the other of the official languages.

Immigrants should also be evaluated for their cultural compatibility with Canadian values. These values include democracy, a secular state, rule of law, equality of the sexes, and an open tolerant outlook. If applicants are obviously not accepting of Canadian values and seem unlikely to integrate, they should not be admitted. Cultural compatibility with Canadian values should be established as a new selection criterion for immigrants.

The Government's new Canadian Citizenship Guide is a useful initiative to make new immigrants more aware of Canadian culture and values. However, it would not be reasonable to expect that such a guide would have a very large impact in changing deeply ingrained cultural traditions and values that are at odds with those in Canada such as freedom, democracy, human rights, the rule of law, the equality of men and women, and equality regardless of sexual orientation.

A related issue is that in many countries women are not given the opportunity to work outside the home even if they do not have young children in the home who would benefit from parental care. This means that many spouses of applicants from these countries do not have the education and/or work experience required to succeed in the Canadian labour market where most women choose to work outside the home so that the family will have an adequate level of income by Canadian standards. It is ironic that in a country where men and women have chosen to assume equal responsibilities in the labour market that the selection system only assesses the qualifications of one partner. Since this is in almost all cases the man, it can be considered a sexist holdover from an earlier period. It is likely that many couples from countries where women are in the labour force would score more highly than couples from other countries where only the man is qualified.

All immigrants (except for minor children and perhaps the elderly) should be seen and personally interviewed by a Canadian visa officer who should also have the discretionary power to refuse applicants who do not meet the selection criteria if there are reasonable grounds for believing the person concerned would have difficulty in becoming successfully established or who would find it difficult in accepting one or more of our core values as set out in the guidelines for Canadian citizenship guidelines recently introduced by Minister Kenney (Citizenship and Immigration, 2011a). Such a discretionary decision would have to be explained in writing and approved by a senior officer. It might also be useful to give the officer the power to approve applicants who do not meet the selection criteria but who clearly show they would have little difficulty in getting established in Canada.

Those immigrants selected for the labour force should then receive counselling from experienced visa officers about working and living conditions in Canada and other helpful pointers about what to expect when they arrive in terms of finding housing, schooling, job interviews, etc. One of the reasons previous immigrants were more successful than current immigrants was because they participated in group counselling sessions, viewed films about Canada, and were therefore better prepared for the difficult first weeks after arrival.

Live-in Caregiver and Business Immigrant Programs

While both the live-in caregiver and business immigrant programs were mentioned in the background material as well as flagged earlier in this section of the survey, respondents have not been asked to comment on these particular programs. Over the five years ending in 2010 almost 50,000 people entered the country as live-in caregivers or their spouses and dependents. Caregivers, who come from the Caribbean, Philippines or other Third World Countries, serve as nannies and put in long hours as domestics at relatively low rates of pay. Many are attracted to the job only because they are permitted to apply for permanent residence status in Canada after two years. The program is also frequently used as a means of getting relatives into Canada. While such an arrangement is undoubtedly beneficial for the household that employs them, the wisdom of allowing people to come to and remain in Canada with skills that would not have qualified them to enter as independent immigrants is questionable. The government has not, to our knowledge, conducted any credible research into the downstream social costs of this program, but it is quite likely that any such research would find them to be substantial and far greater than any social benefits. If such overseas workers were not available, the employers would either have to do their own housekeeping, or pay sufficiently high wages to make it attractive for people already in the country to do it. There is no good reason why Canadian taxpayers should subsidize the at-home childcare of higher income two-income families. The Live-in Caregiver program should thus be terminated. Live-in caregivers should either come in strictly as temporary workers and leave when their contracts are completed, or meet the regular requirements of immigration.

Business immigrants—entrepreneurs, self-employed and investors — is another category that has been subject to abuse and is worthy of comment. Over 57,000 principal applicants and their dependents have been admitted to Canada under these two programs over the five years ending in 2010. Both the entrepreneur and investor programs have been seriously challenged by various studies and audits that have questioned whether they really bring the economic benefits to Canada that the government claims, or whether they are, in fact, primarily of benefit to the immigration lawyers, consultants, and

investment firms that help with all the red tape required to arrange their immigration to Canada (Collacott, 2002, pp.20-21). Moreover, there has always been something about these programs that seem unsavoury. Their very existence creates the impression that Canadian residency and even citizenship are for sale to the wealthy. A related complaint is that no investigation occurs about the source of the money the investor or entrepreneur is bringing to Canada. A cap on new Immigrant Investor applications was introduced in July 2011 and a temporary moratorium was imposed on federal Entrepreneur program applications pending review of the program. Indeed, we believe that it is important to continuously review both programs and that they should be abolished if they are still not working as intended.

Temporary Foreign Worker Program

We are opposed to the expansion of the TFWP particularly to low-skilled foreign workers for a variety of reasons. First, there are a number of legitimate concerns, most often voiced by the labour movement, about the extent to which the program depresses wages and takes jobs away from Canadians or discourages them from entering the workforce. Second, temporary foreign workers are not always treated fairly by their employer as they can be deported if they don't comply with what is demanded of them, which makes them vulnerable to exploitation. Third, the TFWP is being used as an end-run around the regular immigration system. As was discovered in Europe, there is nothing temporary about "guest workers." And that it is best to decide whether the temporary foreign workers would really make desirable long term immigrants. If so, they should be admitted as permanent immigrants. If not, they shouldn't be admitted even on a temporary basis.

Consequently, we believe that the Government should scale back the Temporary Foreign Worker Program and only rely on it for the traditional categories of seasonal agricultural workers and exchanges of more highly skilled workers with countries that have achieved equivalent levels of economic development.

It is important to make sure the workers really are temporary and go home after the work is done. The best way to do this is to hold back a portion of their pay to be received only when they arrive home. This is why the seasonal agricultural worker programme with the Caribbean and Mexico worked and didn't result in large numbers of workers overstaying their work visas.

Responding to the question raised in the questionnaire, we certainly don't think that additional pathways to permanent residence should be established for low-skilled temporary foreign workers. This would just transform low-skilled temporary foreign workers into low-wage permanent workers who would become a net burden on Canadian taxpayers. Low-skilled workers occupy entry-level jobs and make it more difficult for young Canadians to finance their educations and to transition from school to job. And while we favour reducing (or eliminating) the intake of lower-skilled TFWs, we don't believe that other categories of economic immigrants should be increased to make up the difference. Again this is an example where the questionnaire is loaded to get the answer that higher immigration is needed.

Family Class

The definition of family class that extends to parents and grandparents and even allows other more distant relatives in specific circumstances is overly generous and not in Canada's economic interest. Allowing in all of the approximately 165 thousand parents and grandparents with applications in process can only result in large additional claims on Canada's health and welfare system, and runs counter to one of the widely-claimed justifications for immigration which is to bolster Canada's prime-age working population to pay for the pensions and health care of our growing population of elderly Canadians. While it is understandable that immigrants have obligations to care for their own elderly relatives, these obligations can be more cheaply met in their home countries where the cost of living and health care is lower and should not be shifted on to the shoulders of Canadian taxpayers through family class immigration.

By allowing parents to come in as family class immigrants as a matter of right, it also opens the door to chain migration whereby the parents can bring in underage siblings of the sponsor without being subjected to the usual selection criteria.

A recently publicized outrageous claim by a Somali immigrant that he had just brought to Canada his 100th family member, if true, demonstrates the absurdity of the current definition of family class.

The family class of immigrants should as a rule only apply to spouses and dependent children. All other immigrants should be subject to the same selection criteria as economic class immigrants and should be admitted on their own merits.

A possible exception could be made for the elderly parents or grandparents who are over the age of 70 and do not have children living in their own country. But this should only be allowed if the sponsor is in a position to care for their sponsored parents and pay for any medical costs accrued for at least 10 years after arrival. This would recognize that a large proportion of lifetime health care costs is incurred after a person becomes elderly.

Even if family class is restricted to spouses and dependent children, problems can still arise. The current system grants immediate and full social benefits to sponsored spouses. This has resulted in an epidemic of marriages of convenience that victimizes the Canadian sponsor and poses financial burden on Canadian taxpayers. It is an unfortunate fact that thousands of Canadians who have sponsored spouses from overseas in good faith have fallen victim to immigration fraud marriages. The victim is left with a financial obligation of 3 years should their estranged spouse receive social assistance, the financial obligations of family law and psychological trauma of betrayal. Moreover, the immigrant who entered Canada via a bad faith relationship, thereafter often sponsors his / her family members through a form of chain migration facilitated by our immigration system.

There are obvious remedies to the problem of marriage fraud. The legislation should be changed to impose a two-year temporary or conditional resident status on sponsored spouses unless the couple has been married and living together at least two years before the sponsorship application is commenced. Australia and United States have temporary and conditional resident status for two years respectively for sponsored spouses. An exemption of this two year temporary residency period should be created for long-term marriages or marriages with children.

Parents and Grandparents

The Government has been far too lax in accepting applications to bring parents and grandparents into the country. At the same time, it has been unwilling to admit all the parents and grandparents accepted, which can only be taken as an indication that it doesn't think it is such a good idea to bring so many elderly people into the country. While the Government never says why, it could be because of concerns about creating large potential claim on the resources allocated to health and welfare. That may be why the backlog has been allowed to grow to the extraordinary level of 165 thousand as of March 31, 2011.

Consequently, we do not believe that it is important to maintain this category for any of the reasons suggested by the Government in the questionnaire. Parents and grandparents are not likely to be important nodes of labour market and business networks needed by younger immigrants. Being too involved in an extended family can actually hinder the economic and social integration of immigrants. And the transfer of the cultural identity to the younger generations, while good to a certain point, can, if carried too far, prevent the children of immigrants from developing their identity as a Canadian and adopting the Canadian values the Government wants to encourage.

The argument that parents and grandparents are important to care for children while the immigrant parents work is an admission that these same parents and grandparents are not expected to participate fully in the formal Canadian labour market. Yet, on the other hand, there is a full expectation that the parents and grandparents will be eligible for full Canadian health and social benefits. This is, in effect, using the availability of these scarce resources to subsidize the child care arrangements of immigrants – the same as the live-in-caregiver program does for a few fortunate, usually affluent, others.

The parents and grandparents program is unduly costly to Canadians. If not eliminated completely, application in this category should be greatly reduced by applying rules similar to those used by the Australians – for example the “balance of family” principle and requiring bond by sponsors to cover the medical costs of parents and grandparents after they arrive in Australia.

It is important to note also that millions of Canadians live long distances from their relatives, parents and grandparents in particular, in other parts of Canada. Reunification for them might be desirable but in most cases it is not necessary.

Consequently, our view is that the applications of parents and grandparents should certainly not be given priority over spouses, partners and children. Our recommendation is that no new applications be accepted until the current backlog is eliminated and then only on the modified basis suggested above whereby the sponsor is legally obligated to care for their sponsored parents or grandparents and pay for any medical costs accrued for at least 10 years after arrival.

This would leave the Government still faced with a massive backlog of applications to bring in parents and grandparents that have met the existing requirements. Assuming there is no legal means by which the Government can cancel these applications, the offer should at least be made to refund the application fees to those prepared to withdraw their applications. The Government might also wish to

deflect blame by emphasizing that the magnitude of the backlog is due largely to the failure of previous governments to bring the situation under control before it reached the current out-of-control proportions.

Protected Persons (Refugees)

Canada accepted 24,693 refugees in 2011. According to the UN High Commissioner for Refugees (UNHCR), in 2010 Canada ranked 5 out of 43 European and other countries considered as prime destinations for asylum seekers. This placed us behind the much larger countries of the United States, France and Germany, and the smaller Sweden, but ahead of the United Kingdom. It would be hard to argue based on these facts that Canada is not accepting its share.

While the objective of Canadian refugee policy is noble, its implementation is something else. Any non-Canadian with or without status may make an in-land claim or any person entering Canada may make a refugee claim at any port of entry (except when entering from the United States – and even here there are major loopholes claimants can use to enter the country). Visitors, international students, foreign workers, foreign diplomats and visiting athletes or artists may make a claim. All claims must be considered regardless of the citizenship of the claimant. Claims from Americans, the European Union and other democratic countries must be processed. And among the top 10 refugee producing countries in 2007 and 2008 Mexico placed first, United States 4th and the Czech Republic 7th, all established recognized democracies. Canada also has one of the highest acceptance rates among the countries favoured by asylum seekers. Even though processing these claims is very costly in both legal and administrative terms, most are ultimately denied.

More generally, asylum claims costs Canadian taxpayers millions of dollars both in the processing and concomitant public health, social services and education costs while adding to the already staggering backlog. Refugee claimants are entitled to public health, social services, free housing, legal costs and even education during the processing of claims which can last years as claimants are not limited to the number of appeals they may make to Federal Court. Even after a final negative determination of a refugee claim, CIC does not advise provincial authorities. Automatic Social Assistance bank deposits may continue for years even after a deportation.

Most refugee claimants are self-selected economic refugees rather than bona fide refugees under the U.N. Convention. The multi-billion-dollar legal and administrative costs of processing their claims far dwarf the support we provide to actual Convention refugees. It is estimated that Canada spends close to \$2 - \$3 billion annually on the approximately 30,000 to 40,000 individuals who make refugee claims in Canada. In comparison, the UNHCR spends approximately \$3 billion annually for the 26 million proven refugees languishing in refugee camps or internally displaced.

Canadian refugee policy would be more supportive of UNHCR if it took into greater account that the UNHCR does not set a high priority on resettling refugees in third countries (such as Canada), but instead prefers that they remain protected in countries closer to their home country so that return there is facilitated when it becomes safe to return. Canada can thus play a much more meaningful role in helping resolve global refugee problems by substantially increasing its financial contribution to the

UNHCR and accepting those refugees recommended for third country resettlement by the UNHCR rather than spending enormous resources on asylum claims, many of which are of dubious validity.

Because of the 1985 Singh decision of the Supreme Court, it has become impossible to deport asylum seekers before they have had the opportunity to take advantage of all available legal recourse up to and including an appeal to the Supreme Court, which can take years or even decades if the claimant is so inclined (Mahmoud Mohammad Issa Mohammad is the most egregious case in point). Surely, it would be possible to allow for due process for refugee claimants within the administration of refugee policy rather than having the courts get involved in such an extensive and time consuming manner. Neither is it by any means clear that the recent establishment of the Refugee Appeal Division in the Balanced Refugee Reform Act, which is currently scheduled to come into effect in late 2011, will not worsen the situation.

It may be necessary to invoke the “notwithstanding clause” in the IRPA as provided for in the Charter of Rights and Freedoms in order to establish a more sensible legal and administrative framework for dealing with asylum claims. However, this may not be necessary if the Supreme Court were to rule that the necessary steps for a speedy and fair processing of asylum claims were constitutional.

There are also many specific things that need to be done to reform the implementation of refugee policy. The Balanced Refugee Reform Act introduced a number of useful changes intended to accelerate the refugee determination process, but it didn't go far enough. Provision for the establishment of a list of designated countries for expedited processing is a step forward, but it would have made much more sense to have established a list of safe democratic countries from which claims would not be entertained. Such a list should include such countries as the United States, the United Kingdom, Australia, New Zealand, Japan, Singapore, Israel, Costa Rica, and the European Union (a citizen of any EU country has the right to live and work in 26 other countries). International students and foreign workers should also be barred from making asylum claims as they were already admitted to Canada on other grounds that call into question the legitimacy of their asylum claims.

More careful vetting and a more decisive and speedy use of deportations is also required for claimants from countries with terrorism problems to prevent Canada from becoming a haven for terrorists and their sympathizers.

Canada is one of the few countries that presumes every refugee accepted must automatically be granted permanent resident status. In contrast, many countries grant refugees temporary status on the expectation that they will return to their home country when it becomes safe to do so. For example, Germany returned thousands of Bosnian and Kosovo refugees when the violence ended and stability returned. Canada should also only grant temporary refuge when asylum seekers flee their countries because of wars and other temporary phenomena. Permanent refugee status should only be granted when it is not likely that the applicant will be able to return home in the foreseeable future.

It is also necessary to clean house at the IRB. It has been captured by the immigration lobby and as a result its approval rates are among the highest in the world in spite of the large number of bogus claims that it processes. One way to do this would be to make immigration judges a regular part of the Public

Service subject to the same recruitment and appointment disciplines as other officials and to put an end to the practice of political appointments from the immigration lobby. It's also not too much to expect that they have to provide a written basis for their decisions, acceptances as well as rejections.

Public servants are best placed to decide asylum claims (as is done in the USA system). The decision about who should or who should not be allowed into our country or allowed to remain is essentially a decision about sovereignty and should be exercised by the state through its public servants who are trained and experienced professionals -- not by amateurs who are not accountable to anyone but themselves and who often are not properly trained. This concept that the refugee board should be independent is nonsense. The asylum policy is set by the government and as a result it should be held responsible for refugee decisions and accountable for them.

Some of the measures proposed above are already in various stages of consideration or implementation although many major problems remain unresolved. The Government thus needs to be reminded of their urgency and encouraged to make the implementation of the needed reforms in refugee policy and administration a priority.

The Procedural Administration of Refugee Policy

There are also major administrative problems in the processing of asylum claims that need to be addressed. Refugee Protection Division (RPD) members who are responsible for pronouncing on the validity of an asylum seeker's claim must only prepare written reasons (legal and factual analysis for justifying a refusal) for negative decisions in refugee determination or for positive decisions in exclusion (for war crimes, criminality) cases involving the International Refugee Convention. Writing reasons for a single case can take several hours and often needs to be reviewed by IRB legal services. On the other hand, no such obligation exists for writing reasons for accepted refugee claims. Members might therefore tend to opt for the easier and faster route to completions by rendering positive decisions orally from the bench, thereby eliminating the need to justify their decisions. Recent media reports about RPD members who had 100 per cent acceptance rates suggest that this incentive structure might well be at work. Consequently, the administrative rules should be changed so that written reasons would be required for all RPD decisions.

Measures should be taken to deter asylum seekers from making claims in Canada, which in turn will allow an increase in the resettlement of refugees from overseas. We would, however, add that privately-sponsored refugees may well be relatives of people already in Canada but where the relationship is not close enough to make them eligible to come here as family class sponsorships. This is not, however, what the system was intended for. We should determine, therefore, how frequently this is happening and what measures need to be taken to prevent it from happening.

We recognize that the 15 per cent share we have recommended for protected persons (refugees) is not under the Government's direct control. In particular, the number of asylum seekers accepted under the present system out of the hands of the government and depends entirely on the numbers accepted by the independent IRB. This is why it is important to implement major reforms of refugee policy to provide better guidance to the IRB.

Recommendations

1. The current level of immigration is way too high and should be reduced to around 100 thousand in the future.
2. The main objective for immigration policy should be to maximize the welfare of Canadians by raising their after-tax real incomes and living standards.
3. The appropriate mix between economic immigrants, family class immigrants, and protected persons (refugees) is: 75 per cent economic; 10 per cent family class; and 15 per cent protected.
4. All classes of immigration should be correspondingly reduced.
5. The selection criteria for immigrants needs to be revised and made more discriminating, particularly with respect to the quality and relevance of the work experience and education.
6. In the case of immigrants applying to come to Canada to work in regulated professions, only those who are pre-qualified by the relevant regulatory authority should be admitted.
7. Language requirements for admission should be toughened up and applied to all adults immigrating to Canada including family class and sponsored immigrants.
8. More emphasis should be put on recruiting younger immigrants.
9. Cultural compatibility with Canadian values should be established as a new selection criterion for immigrants.
10. All immigrants (except for minor children and perhaps elderly over age 70) should be seen and personally interviewed by a Canadian visa officer who should also have the discretionary power to refuse applicants who do not meet the selection criteria if there are reasonable grounds for believing the person concerned would have difficulty in becoming successfully established or who would find it difficult in accepting one or more of our core values as set out in the guidelines for Canadian citizenship guidelines recently introduced by Minister Kenney.
11. Family class immigration should be limited to the nuclear family, which only includes spouses and dependent minor children.
12. A special exception could be made for the elderly parents or grandparents who are over the age of 70 and do not have children living in their own country, but only if the sponsor is in a position to care for their parents and pay for any medical costs accrued at least 10 years after arrival.
13. Marriage fraud should be prevented by changing the IRPA to impose a two-year temporary or conditional resident status on sponsored spouses unless the couple has been married and living together at least two years before the sponsorship application is commenced.
14. Immigrants arriving under Provincial Nominees Programs should meet federal selection criteria. If this is not politically possible, they should, at the least, be subject to greater supervision to ensure minimum standards of skills, language and education are met.
15. Because of its unique history and position as Canada's only French-speaking province, which resulted in its recognition as a nation within Canada, it should continue to select its own skilled workers under the Canada-Quebec Immigration Agreement.
16. The Temporary Foreign Worker Program should be scaled way back except for the traditional categories of seasonal agricultural workers and highly skilled workers not available in Canada.

17. And to make sure that temporary workers really are temporary and go home after the work is done a portion of their pay should be held back until they return home.
18. The Live-in Caregiver program should be terminated because there is no good reason why Canadian taxpayers should subsidize the at-home childcare of higher income, two-income families.
19. The business immigration programs for entrepreneurs, self-employed, and investors should be continuously reviewed and if the modified programs are still not working as intended, they should be abolished.
20. A list of safe democratic countries from which refugee claims will not be entertained should be established.
21. A more careful vetting of asylum claimants from countries with terrorism problems and more decisive and speedy use of deportations in cases involving ties to terrorist activities is required to prevent Canada from becoming a haven for terrorists and their sympathizers.
22. International students and foreign workers should also be barred from making asylum claims as they were already admitted to Canada on other grounds that call into question the legitimacy of their asylum claims.
23. Canada should also only grant temporary refuge when asylum seekers flee their countries because of wars and other temporary upheavals and make asylum claims with permanent refugee being reserved only for cases where it is not likely that the applicants will be able to return home in the foreseeable future.
24. The administrative rules should be changed for the RPD requiring written reasons should be required for all decisions with respect to asylum claims.
25. Canada needs to establish a reliable system of tracking and exit controls for visitors so that immigrants who don't maintain their ties to Canada can have their visas revoked.

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